



**Directorate of
Intelligence**

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Science and Weapons Daily Review

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DEVELOPMENT

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China recently created special leading groups to centralize
planning for the development of advanced technology in
biotechnology, microelectronics, computers, data processing,
and materials science.

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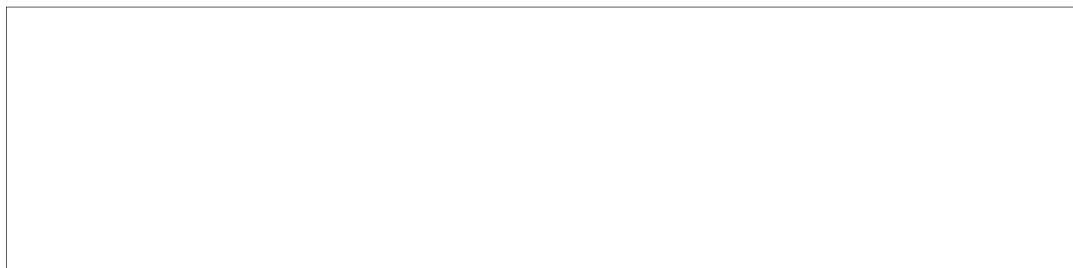
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Science and Weapons Daily Review

CHINA: CENTRALIZED PLANNING FOR ADVANCED TECHNOLOGY DEVELOPMENT

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[redacted] State Council and the State Scientific and Technology Commission (SSTC). The SSTC has an effective oversight role for S&T management in China. The special leading groups not only respond to the State Council, but critical subgroups also report directly to Premier Zhao Ziyang who leads the State Council. [redacted]

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The groups also encourage civilian and military research units to conduct more joint projects. The Science and Technology Leading Group--headed by Chinese Premier Zhao and supervised by the SSTC Minister Song Jian--specifically has the task of improving links between civilian and defense S&T entities. [redacted]

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The activities of the Leading Group for the Vitalization of Electronics (LGVE) are typical of group operations. LGVE was formed in September 1984, and created subgroups to monitor electronics technology development and to focus on applied applications including large-scale integrated circuits, software, microprocessors and minicomputers, banking computers, telecommunications, weather forecasting, and electric power. A subgroup on policy also has been formed to study taxes, customs, and tariffs. One goal of LGVE is to avoid duplication and to coordinate development in the electronics field. One specific duty of LGVE is to prevent each province from having its own microprocessor joint venture. [redacted]

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Comment:

By circumventing bureaucratic rivalry, the special leading groups cross ministerial lines and have the potential to be highly effective. They are well designed to fulfill their job as central planners for the development of China's advanced technologies. The administrative staff of each group is small, usually about 20 people. They are composed of individuals from the ministries and commissions in China that already are involved in each specific technological area. [REDACTED]

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The special leading groups probably also will work very closely with C-TECH, a joint venture corporation established in April 1985 by China's New Technology Development Center and a US firm. C-TECH's primary responsibility is to coordinate China's technology development, primarily through the formation of joint ventures. Special leading groups at the provincial and municipal levels probably will have close relationships with C-TECH because they are tasked not only to implement S&T policy but to monitor foreign technology. Comprised of technical experts, the special leading groups at these levels advise local officials on the validity of their S&T projects to enhance cost effectiveness. [REDACTED]

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